


STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 5225	Department California Department of Corrections and Rehabilitation	Priority No. 3
Budget Request Name 5225-302-BCP-BR-2016-A1		Program VARIOUS	Subprogram VARIOUS

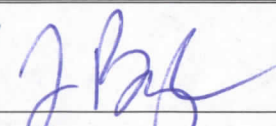
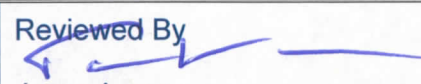
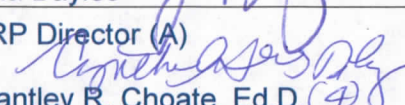
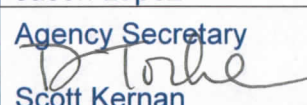
Budget Request Description
Automated Reentry Management System (ARMS)

Budget Request Summary

The California Department of Corrections and Rehabilitation requests \$4.5 million General Fund in 2016-17 and 2017-18 to implement Phase Two of the Automated Reentry Management System (ARMS). ARMS is a new case management system that will track offender program participation, assist with meeting legal mandates, and provide data for better evidence-based practices for offender rehabilitation.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, departmental Chief Information Officer must sign.	Department CIO  Russell J. Nichols	Date 3/28/2016
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input checked="" type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. 5225-157 Date:		


If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Tina Bayles 	Date 3/28/16	Reviewed By Jason Lopez 	Date 3/28/2016
DRP Director (A) Brantley R. Choate, Ed.D. 	Date 3/28/16	Agency Secretary Scott Kernan 	Date 3/29/2016

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA 	Date submitted to the Legislature 4/1/16
--	---

BCP Fiscal Detail Sheet

BCP Title: Automated Reentry Management System

DP Name: 5225-302-BCP-DP-2016-A1

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5340 - Consulting and Professional Services - External	0	952	952	0	0	0
5346 - Information Technology	0	3,526	3,526	0	0	0
Total Operating Expenses and Equipment	\$0	\$4,478	\$4,478	\$0	\$0	\$0
Total Budget Request	\$0	\$4,478	\$4,478	\$0	\$0	\$0

Fund Summary

Fund Source - State Operations

0001 - General Fund

Total State Operations Expenditures

Total All Funds

0	4,478	4,478	0	0	0
\$0	\$4,478	\$4,478	\$0	\$0	\$0
\$0	\$4,478	\$4,478	\$0	\$0	\$0

Program Summary

Program Funding

4590015 - In-Prison Program

Total All Programs

0	4,478	4,478	0	0	0
\$0	\$4,478	\$4,478	\$0	\$0	\$0

Analysis of Problem

A. Budget Request Summary

The California Department of Corrections and Rehabilitation (CDCR) requests \$4.5 million General Fund in 2016-17 and 2017-18 to implement Phase Two of the Automated Reentry Management System (ARMS). ARMS is a new case management system that will track offender program participation, assist with meeting legal mandates, and provide data for better evidence-based practices for offender rehabilitation. The ARMS solution allows providers to submit data in a consistent manner while facilitating program delivery and accountability. Once the key components of Phase Two have been implemented and evaluated, CDCR will develop a funding request to support implementation of Phase Three and the ongoing maintenance of ARMS.

B. Background/History

The Division of Rehabilitative Programs is responsible for managing contracts that provide rehabilitative program services (in-prison and community-based) to offenders statewide; the Division of Adult Parole Operations contracts with providers for rehabilitative services for sex offenders and mentally ill parolees; and the Division of Adult Institutions contracts with providers of community and contracted correctional facilities that administer rehabilitative programs.

As part of the Three-Judge Court order to implement prison population reduction measures, CDCR activated new reentry hubs, expanded alternative custody programs, and provided milestone credits for specified inmates who complete rehabilitative programs. To assist with these expansions and the tracking of rehabilitative programming across various divisions, CDCR implemented the first phase of ARMS. Phase One of ARMS allows CDCR to appropriately collect data that shows offenders have completed in-prison programs, including those that are milestone eligible.

Phase One of the ARMS solution, which will be fully implemented in June 2016, provides licensing for up to 4,000 users, and provides the following functions for in-prison programs:

- Referral and enrollment in programs
- Secondary assessment data
- Case planning and management, including case notes
- Program participation and session tracking
- Basic reporting information on programs

Currently, CDCR maintains multiple disparate databases to track rehabilitative programming for more than 50,000 unique participants in more than 3,000 programs at nearly 400 locations. Once fully implemented, ARMS will ultimately create a comprehensive data system available to multiple user types, validate the effectiveness of rehabilitative programming provided to offenders, and improve case management. As stated in *An Update to the Future of California Corrections*, this database will “track an offender’s rehabilitative life cycle and begin implementing performance-based contracting for rehabilitative services, which help reduce recidivism” (p. 43). The improved data availability will also assist in the evaluation of program effectiveness by the Pew-MacArthur Results First Initiative.

C. State Level Considerations

This request has several state level considerations, specifically as they relate to court orders, previous legislation, and departmental strategic planning efforts.

The implementation of offender rehabilitation is marked by major legislative initiatives such as Assembly Bill 900, the Public Safety and Offender Rehabilitation Services Act of 2007, Assembly Bill 109, and most recently, Proposition 47.

Other statute mandates include:

- Chapter 603, Statutes of 2005 Senate Bill (SB) 618, Case Management.

Analysis of Problem

- Chapter 608, Statutes of 2005 Assembly Bill (AB) 478, Medical Care of Pregnant Inmates.
- Chapter 190, Statutes of 2005 AB 900, Public Safety and Offender Rehabilitation Services Act of 2007 (as identified above).
- Chapter 15, Statutes of 2011 AB109, Public Safety Realignment (as identified above).
- Chapter 39, Statutes of 2011 AB 117, Criminal Justice Realignment.
- Chapter 784, Statutes of 2013 AB 494, Literacy and Education.
- Chapter 789, Statutes of 2013 AB 1019, Correctional Education and Vocational Training.

In addition to these landmark legislative mandates and voter based initiatives, the Department is also mandated through court orders and statute to ensure effective and optimized rehabilitative programming is provided to its offender population. Its authority for addressing identified business problems can be found in the following areas: Three-Judge Court Order CASE3:01-CV-01351-TEH. The Department also created and continues to follow its own Strategic Plan that focuses on achieving key rehabilitative goals. This includes: (1) 70 percent of offenders with moderate to high risk and needs will receive, prior to release, evidence-based rehabilitative programming to address their criminogenic needs; and (2) 70 percent of parolees identified with moderate to high risk and needs will participate, during their first year on parole, in appropriate and effective community programming to address their criminogenic needs.

In addition, there is great support from both internal and external stakeholders that assist/serve CDCR in a variety of capacities within its rehabilitative service delivery system, for the development, implementation and subsequent monitoring of the ARMS data system.

D. Justification

While ARMS Phase One has resolved multiple data issues for in-prison programs, similar issues still remain with community-based contracts and the parole population. Phases Two and Three of ARMS include numerous enhancements and will implement programs supportive of offender rehabilitation and population reduction measures. Phase One only included programs and licenses identified for in-prison programs implemented at the time of solicitation in May 2014. Interfaces in Phases Two and Three of ARMS will manage these issues and ensure all offender populations are receiving programming consistent with risk and need. Therefore, in addition to parole, these phases will expand ARMS to the California Out-of-State Correctional Facilities, new Male Community Reentry Programs (MCRP), new Alternate Custody Programs, and Lifer Programs.

Additional programs and services to be included in Phases Two and Three are listed below:

- Expanded Single and Multi-Level Level Substance Abuse Treatment and Recovery
- Reentry Hub Modifications/Expansions
- Expanded In-Prison Sex Offender Management Program
- Computerized Literacy Learning Center
- Parolee Service Center
- Parolee Outpatient Clinic
- Day Reporting Centers/Community Based Coalitions
- Residential Multi-Service Center
- Parole Sex Offender Management Program
- Female Offender Treatment and Employment Program
- Integrated Services for Mentally Ill Parolees
- Employment Expansion Programs

The ARMS solution provides the infrastructure necessary to manage and communicate one comprehensive rehabilitative plan throughout the offender lifecycle. It will pull information together from the multiple disparate databases CDCR is currently using to ensure pertinent information is consolidated and readily available to providers and case managers. This will help to avoid duplicate services and conflicting rehabilitative goals and activities, and ensure the best possible scenario for

Analysis of Problem

successful reintegration of offenders back into the community. With this capability, Phases Two and Three will expand program types; improve data analysis; automate exchange of data and improve communication between internal and external stakeholders; and enhance the referral process for contracted services. Phase Two presents an enterprise license for 10,000 anticipated users.

Specifically, ARMS Phase Two will incorporate automated interfaces that will allow:

- Strategic Offender Management System (SOMS) to automatically push offender data to ARMS, including program completion and milestone credits.
- Correctional Offender Management Profiling for Alternative Sanctions (COMPAS) assessment data to be automatically pushed into ARMS for continuity of care purposes and to pull newly defined evidence-based assessments required for in-prison programs.
- Parole Violation Disposition Tracking System (PVDTS) data on referrals to be automatically pushed into ARMS to speed communication of required capacity to enroll individuals in programs.

Currently, CDCR calculates a percentage of the target population that is assigned to rehabilitative treatment using around 100 reported data elements and no direct data system verification of data. Still, there are over ten thousand inmates that have no system-verified possibility of receiving milestone credits that ARMS would facilitate. Expansion of ARMS in Phase Two will enable over 2,500 rehabilitative program types (e.g., anger management, sex offender, mental health, etc.) supported by an enterprise license.

Phase Three is a key component of the business solution that will fully expand program-specific capabilities and enhance the probability for reducing recidivism. Specifically, Phase Three will open communication with offender-friendly employers to help prepare offenders for the most pertinent jobs available, as well as extract data from the Employment Development Department to verify future employment status. It will create an automated interface with counties and the Department of Justice to help with tracking future violations. Finally, Phase Three will create an interface that will allow ARMS offender data to be pushed to SOMS and PVDTS, which will eliminate the need for manual data entry into those systems. This information will be crucial in helping CDCR close the gap in offender data and prove the effectiveness of treatment and rehabilitative programming.

The two additional Phases of ARMS represent the lowest cost option to achieve required results. By establishing this platform, CDCR will be able to track contract service provider accomplishments to not only reduce prison populations through milestone credit achievements, but also realize greater accountability. With over 400 contract service providers delivering over \$150 million in services to offenders, Phases Two and Three will enable license expansion, standardization of data, and comparisons to identify the best programs. This will help to achieve desired rehabilitative outcomes and improve the automated exchange of information to enhance continuity of care, improve the speed of data availability, and reduce the manual entry or handling of data for mission-related activity.

Without this funding, CDCR will not be able to address the full scope of mission responsibilities for rehabilitative programs with the appropriate level of fidelity and contract accountability. CDCR will also not be able to measure program effectiveness at a level required to meet criteria for performance-based contracts and greater accountability for associated outcomes.

E. Outcomes and Accountability

CDCR will implement Phase Two of the ARMS solution upon approval of this proposal. Phase Three of ARMS will begin implementation upon completion of Phase Two. Phases Two and Three of ARMS will take approximately four years, and will extend capability to include the full rehabilitative cycle of the offender. Once CDCR has had the opportunity to evaluate the key components of Phase Two implementation, a request will be submitted to address the necessary resources for Phase Three and ongoing maintenance of ARMS.

Analysis of Problem

A Feasibility Study Report (FSR) has been submitted to the California Department of Technology outlining all phases of this project and the expected benefits.

F. Analysis of All Feasible Alternatives

Alternative 1:

Implement ARMS Phases Two as a hosted Commercial-Off-The-Shelf (COTS) application to enhance ARMS Phase One.

Pros:

- Continuing with the same product and vendor as Phase One avoids additional costs for interfaces between the in-prison and community-based portions of the application.
- Because the COTS is developed with industry best practices for standardized business problems, extensive customization of the solution is not necessary.
- It is in the vendor's best interest to continue to develop the COTS product in order to keep and attract multiple customers in the marketplace. CDCR receives the benefits of the ongoing development.
- The vendor's expertise in this area is highly recognized, to the point where CDCR's Statewide Offender Management System has partnered with them for their complementary area of specialty. The quality of a proven COTS application is higher than a custom developed solution for at least a few years, due to troubleshooting.
- The cost of a COTS solution is significantly lower than a custom developed solution.
- A solution hosted by a vendor presents lower CDCR IT costs.
- Because the COTS is highly configurable, business analysts can modify the rehabilitative program delivery model design to meet current and future mandates without incurring additional costs or delays to implementation. This functionality is standard for the application and does not require coding changes.

Cons:

- Clients are constrained by the business model of the vendor who owns the COTS package.

Alternative 2:

Continue to use ARMS Phase One for existing in-prison sites and establish SOMS as the solution for community-based programs and new in-prison sites.

Pros:

- Community-based data would be resident separately in SOMS with other data for the offender lifecycle.

Cons:

- Two different products would be in use, one for existing in-prison programs and another for community-based and new in-prison programs.
- Additional interfaces would still be required between the two products in order to consolidate the data.
- SOMS is not intended to manage detailed clinical data.
- This would present a greater workload than the COTS solution.
- Contracted providers are not authorized to use SOMS.

Alternative 3:

Continue to use ARMS Phase One for existing in-prison sites and develop a custom solution for ARMS Phase Two.

Analysis of Problem

Pros:

- Custom development would be designed to the specific stakeholder requirements.
- Clients are not constrained by the business model of the vendor with the COTS package selected.
- Enterprise architecture standards could be used for the solution if hosted by CDCR.

Cons:

- Two different products would be in use, one for existing in-prison programs and another for community-based and new in-prison programs.
- Additional interfaces would still be required between the two products.
- The cost for initial development would be significantly greater than the COTS solution.
- The quality of a custom developed solution would be lower than a proven COTS application for at least several years.
- Full scale development could not be completed within the desired timeframe.

Alternative 4:

Continue to use ARMS Phase One for existing in-prison sites and select one of the rehabilitative contracted provider solutions as the CDCR solution for the community based portion of the rehabilitative program tracking.

Pros:

- Lower cost for development.
- One provider is already operational.

Cons:

- Two different products would be in use, one for existing in-prison programs and another for community-based and new in-prison programs.
- Additional interfaces would still be required between the two products.
- CDCR would have no control over the capability of the application.
- One solution was considered during the ARMS procurement process and could not meet necessary requirements. Furthermore, the cost of training and maintenance of another entity's solution was not predictable or manageable.
- Other solutions may not structurally support multiple enterprises within the same solution.

G. Implementation Plan

Implementation of ARMS Phase One began June 2014 and ends June 2016. In March 2015, CDCR began an in-prison pilot that was completed in June 2015. The pilot demonstrated the flexibility and comprehensiveness of the solution with positive provider feedback. The tentative implementation plan is defined below.

Major Milestones	Est. Complete Date
Automated Reentry Management System (ARMS) Project	
Project Start Date	06/02/2014
ARMS Phase One Quarter 1 Release Complete	03/19/2015
ARMS In-Prison Pilot Complete	06/26/2015
ARMS In-Prison Statewide Rollout Complete	11/20/2015
ARMS Phase One Complete	06/10/2016
ARMS Phase Two Complete	06/30/2018
ARMS Phase Three Complete	06/30/2020
Maintenance and Operations Begins	07/01/2020
ARMS PIER	06/30/2021

Analysis of Problem

H. Supplemental Information

ARMS is hosted by Social Solutions Global, Inc. which tracks over 12 million national participants in Efforts to Outcomes (ETO). Social Solutions Global, Inc. maintains various client types, including the California Department of Public Health (CDPH) who provided a highly favorable reference for the system. At the time of procurement, Social Solutions Global, Inc. had over 75,000 users and a high retention rate of users (over 94%) which is far above national averages for this type of solution.

I. Recommendation

CDCR recommends moving forward with Alternative 1, the COTS application solution. This would be hosted and managed at the application level by the Software-as-a-Service (SaaS) provider. The costs are less than the other alternatives and IT support costs would be handled by the provider through established service level agreements.